ORIGINAL



MEMORANDUM

305M

TO:

Docket Control

FROM:

Ernest G. Johnson

Director

Utilities Division

DATE:

April 25, 2006

RE:

SANTA ROSA WATER COMPANY REQUEST FOR ADDITIONAL TIME TO

COMPLY WITH FILING REQUIREMENTS OF DECISION NO. 68243.

DOCKET NOS. W-04137A-05-0286 AND SW-04136A-05-0287

On October 25, 2005, in Decision No. 68243, the Arizona Corporation Commission approved extensions of the Certificates of Convenience and Necessity of Santa Rosa Water Company ("Santa Rosa") and Santa Rosa Utility Company. One of the requirements set forth in the Decision was for Santa Rosa to "file with Docket Control a copy of the developer's first Certificates of Assured Water Supply ("CAWS") for the extension area, stating there is "adequate water supply" within 365 days of the effective date of the Decision.

On April 14, 2006, Santa Rosa filed a letter requesting an extension of time, until October 25, 2007, to file the CAWS. The letter explained that significant efforts have been made to obtain the CAWS including the acquisition of approval of an Analysis of Assured Water Supply from the Arizona Department of Water Resources. According to the letter, the first potable well has been drilled and a water right has been secured to establish a service area right.

Staff has reviewed the motion, believes Santa Rosa and the developer have made a good faith effort to comply with the decision. Staff has no objections to the requested extension of time to October 25, 2007 to comply with the portion of Decision No. 68243 which requires filing of a CAWS.

EGJ:LAJ:tdp

Originator: Linda Jaress

AZ CORP COMMISSION

Santa Rosa Water Company 9532 E. Riggs Road Sun Lakes, AZ 85248

RECEIVED

April 13, 2006

Docket Control Arizona Corporation Commission 1200 West Washington Phoenix, AZ 85007 AZ CORP COMMISSION DOCUMENT CONTROL

APR 14 2006

Z Corporation Commission
Director of Utilities

Re: Docket No. W-04137A-05-0286, Decision No. 68243

Dear Sir or Madam:

Santa Rosa Water Company (SRWC) was granted an extension to its water Certificate of Convenience and Necessity (CC&N) on October 25, 2005, pursuant to Decision No. 68243. This extension to the CC&N was conditioned upon SRWC filing with Docket Control a copy of the developer's first Certificate of Assured Water Supply (CAWS) for the extension area within 365 days of the effective date of the decision.

In an effort to obtain a CAWS for the extension area, the developer has already submitted an application for an Analysis of Assured Water Supply (AAWS) to the Arizona Department of Water Resources (ADWR) which has been approved but is awaiting approval documentation from ADWR. The AAWS demonstrates that there is sufficient water for the project and reserves the water for the development. The AAWS will be submitted to ADWR together with the application for the CAWS to satisfy the hydrologic requirements of the CAWS and to accelerate the application process. The developer also has commenced preparation of the tentative plats required for the application for the CAWS and will have these completed on or about May 1, 2006. The application for the CAWS will be submitted to ADWR shortly after completion of the required tentative plats.

The first potable well has already been drilled and a Type II water right has been secured for purposes of establishing a service area right (SAR). The establishment of an SAR is also a requirement for obtaining a CAWS.

Clearly, significant resources have been expanded and progress has been made since the CC&N was issued on October 25, 2005 toward securing a CAWS in the extension area. However, given the time required to prepare the application for a CAWS and for ADWR to process it, it is doubtful that the CAWS will be issued prior to the due date of October 25, 2006 called for in Decision No. 68243. The developer has therefore requested that

SRWC extend the date to comply with the filing of the initial CAWS in the extension area. As a result SRWC requests a one year extension of time until October 25, 2007, to file with Docket Control a copy of the developers initial CAWS for the extension area.

There is a convenience and necessity for water service in the extension area and the public will be served if the request for an extension of time until October 25, 2007 is granted.

An original and 15 copies submitted.

Sincerely,

Jim Poulos